CHARTERED BANKS RULE THE WHOLE MONETARY FIELD IN CAI

Thirty-Five of Them Struggle to Grasp the Country's Business.

A THOUSAND BRANCHES

Fiscal System of One of World's Richest Countries Is Backed

by Government.

POST OFFICE IS A FACTOR

Savings Institutions Conducted in Connection with Mail Handling from Atlantic to Pacific.

[SPECIAL CORRESPONDENCE OF THE HERALD-]

CANADA'S BANKING SYSTEM.

Bank, the Imperial Bank, the Bank the B

BACKED BY THE GOVERNMENT. The chartered banks are largely under government control, and their expital and dividends are limited by law. Every bank has to pay a certain proportion of its money in government notes, and not less than forty pear cent of its cash reserve must be held in such noves. The banks have the right to issue notes to the amount of their unimpaired, paid up capital, but each must also deposit, with the government an amount equal to five per cent of its note circulation. This five per cent on all the note circulation of the country issued by the banks forms a common fund for the security of the note holders, who are further secured by a provision requiring that the notes of a suspended bank shall bear interest at six per cent until the public is notified that they can be redeemed. The chartered banks are largely under

During my stay in Montreal I met the manager of the Bank or Montreal, Mr. E. H. Chouston, and had a chat with him about Canadian banking methods. The Bank of Montreal is one of the chief banks of the world. It was founded by Montreal merchants in 1817, when James Manroe was beginning his first term as President of the United States, and its original capital was \$45,000. It paid a dividend of eight per cent the first year, and has paid dividends ever since. Its capital has been hyldends ever since. Its capital has been nereased to \$14,400,000, and it has now a WENT FAR UNDER GROUND surplus twenty times as large as the amount originally invested. Its president as Lord Strathcona, the richest man in Canada and the representative of the Dominion in London.

The Bank of Montreal looks more like The Bank of Montreal fooks more like one of our government departments than any financial institution in Wall street. It has Corinthian piliars at the front, and its roof, a hundred feet above the floor, is upheld by columns of black granite from Vermont, each as big around as a flour barrel and as bright as polished jet. Every-

CANADA'S GREATEST FINANCIAL INSTITUTION AND TWO OF THE MEN WHO GUIDE THE COUNTRY'S MONETARY SHIP OF STATE.



Lord Strathcone Canada's richest man.

Subjects of the King Think Their Method Better Than Ours.

BAR MUSHROOM BANKS

Money of Country's Depositors Is Guaranteed Safety by the Parliament at Ottawa.

GREAT RIVALRY IN WEST

Institutions Strive for Business from Shack and Tent, While Settlers Break the Prairie.

ed. If one district has a poor crop and no use for money the funds of the branch there go to other districts, so that there 'Are many loans made on real estate?" I

to law for them to make real estate loan

"Are many mortgage notes sold here?" I asked, "It used to be that New England practically owned our great West, Are you

practically owned our great West. Are you getting much money from the East for the purchase of notes secured by mortgages?"
"No, we do not give notes in payment for real estate. Much land is sold on deferred payments, but such payments are not secured by notes. They form a part of the agreement of sale, and the title to the land does not pass until the payments have been made in full."

TORRENS TITLE SYSTEM.

"Will this condition continuer"
"If on't think we have either the hope or disasted on the profits care from the country and the same and a straight here cannot be present to country about on the England."

The ownered the whole of Cambal and a great gard of the profits came from the West.

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The ownered the whole of Cambal and a great gard of the individuol, but in any profitable investment that may turn can call timed any profitable investment that may turn can call timed the profits that the profits of the same but the chances, on the country and the same and an sort of sound enterpretate flast timed to the same, but the chances, on the country and the same and an sort of sound enterpretate flast timed to the same, but the chances, on the contract and the same and th "We have one thing," continued Mr. Al-loway, "which is excellent, and that is the

post office savings banks, which are to be found at every country cross-roads, as well as in the towns and cities. The private savings banks have something like \$20,000,000 in deposits, and the post office savings banks have \$44,000,000 and 200,000 depositors. In the post office banks three per cent interest is paid, but no one may de posit more than \$1,000 in one year, of have more than \$3,060 standing to his credit at one time.
FRANK G. CARPENTER.

Steel Trust Founds Colerain, a City in Northern Minnesota

[SPECIAL DESPATCH TO THE HERALD.] THE United States Steel Corporation is establishing a model city in the vas, forests of Northern Minnesota, and fif name is Colerain. The location is nine

It has laid out broad and regular streets and arranged for parks. The town sit overlooks Troug Lake. The highest point in the city has been chosen for a \$80.00 schoolhouse, which will be erected this

Describes Journey Into Magic Country on the most approved plans. A railroad grade has been completed to the townsite in a few weeks.

Colerain will never have a real estate 'boom," as the steel company sells no "boom," as the steel company sens in-land. Something more than a hundred ap-

Little Nemo Giving Out The Watches

Girls' Nemo

Watch

Watch

Otto Elster. 342 Pleasant Ave. New York

Boys' Nemo Little Brooklyn Girl Delighted with and the surrounding country have been acquired by the Steel Trust. Winning One of Herald's Solid Gold Watches.

MADE CLEVER SUGGESTION summer.

As yet the city has only thirty houses,

and Links It with Idea of St. Patrick's Day.

TWO NEMO PRIZE WINNERS AND THEIR PRETTY REWARDS.

The Special region is the country of the count

Mildred Edith Urban 385 Greene

Ave. Brooklyn

Harlem Boy of Upper East Side Gets

Reward for Story of

Kiss Her When All Vanished

and He Awoke.

GAIN the Little Nemo prize winners of the SUNDAY HERALD'S Slum-